

Army Lean Six Sigma

Deployment Guidebook

WORKING DRAFT
THIS IS AN EXTRACT THAT CONTAINS ONLY MATERIAL
RELATED TO METRICS AND TO FINANCIAL
MANAGEMENT POLICY AND GUIDANCE

Version 1.03

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Section 1. Omitted

Section 2. Omitted

Section 3. Omitted

Section 4. Measuring Success

Everyone knows that what gets measured, gets done. Metrics are important to track progress, adjust as necessary, and serve as a source of celebration.

4.1 Project Metrics

LSS (LSS) projects yield a wide range of benefits. For Army LSS, benefits are viewed from two perspectives, based on (a) whether they are financial and (b) whether they are quantifiable. The following table shows typical project benefits, viewed from the two perspectives.

	Financial	Non-Financial
Quantifiable	<ul style="list-style-type: none">▪ Savings▪ Cost avoidance▪ Revenue generation	<ul style="list-style-type: none">▪ Cycle time▪ Customer satisfaction▪ Percentage of end items that meet performance specifications
Non-Quantifiable	<i>Not applicable – all financial benefits are quantifiable</i>	<ul style="list-style-type: none">▪ Enhanced internal communication flow▪ Improved organizational culture

Any given LSS project can generate all three kinds of benefits: quantifiable financial benefits, quantifiable non-financial benefits, and non-quantifiable non-financial benefits. In all cases, there must be an identifiable cause-and-effect relationship between the project and the affected metric.

The following sections define or describe these benefits and provide examples.

Financial Benefits

The overarching financial management objective of LSS is to give the Army greater resource flexibility. Specific financial objectives are to generate savings, to generate cost avoidance, and to generate revenue. These objectives are defined as follows:

- Cost reduction. A cost reduction is a reduction in the number of dollars needed to meet a customer-established requirement by executing a certain process or function. All cost reductions are categorized as savings or cost avoidance.

- Savings. Savings are defined as cost reductions that enable a manager to remove programmed or budgeted funds and apply them to other uses. In this definition, savings are viewed from an Army-wide perspective: an initiative that reduces costs in one organization or appropriation but increases costs elsewhere represents savings only to the extent that there is a net cost reduction that can be applied to other uses.
- Cost avoidance. Cost avoidances are defined as all cost reductions that are not savings, including, but not limited to, improvements in efficiency, productivity, cycle time, timeliness and resource utilization.
- Revenue generation. Revenue generation is defined as increasing the dollars that flow into the Army, over and above appropriated funds and customer funding received through a revolving fund.

As noted in the table, all financial benefits are quantifiable and they are always measured in dollars.

Non-Financial Benefits

Non-financial benefits are any benefits that are not measured in terms of dollars. Examples include cycle time to complete a given process, the timeliness of deliveries to the customer, and the extent to which a product or service meets customer requirements. There can be linkages between financial and non-financial benefits, and in some cases, a non-financial benefit can lead to a financial benefit. For example, a reduction in cycle time or a reduction in the amount of rework required in a process will usually result in a cost avoidance or savings.

Quantifiable vs. Non-Quantifiable Benefits

A benefit is quantifiable if it can be measured and non-quantifiable if it cannot be measured. Note that determining whether a benefit can be quantified is not the same as determining whether it is objective or subjective. Subjective benefits are benefits that are a matter of opinion, and some subjective benefits can be quantified through means of customer satisfaction surveys and similar techniques.

Examples of Benefits

The following examples are intended to clarify the definitions and descriptions.

- Example 1: As a result of adding automation to a given process, the number of full-time civilian personnel or contractors working on that process will be reduced by 20. If these 20 people cost \$2 million annually, that figure less the cost of the added automation is savings that can be reapplied to other requirements.
- Example 2: A newly assigned supervisor determines that her subordinates, although they are performing effectively, don't seem to have a good understanding of how their job contributes to the broader Army mission. She institutes a program of monthly briefings to give her subordinates a better appreciation of Army missions and responsibilities. As a result of these briefings, the group's performance does not

improve, but the subordinates have a more positive attitude because they understand the importance of their task to the Army's mission accomplishment. This could be described as an non-financial, non-quantifiable benefit in the form of improved organizational culture.

- Example 3: The Army is performing a given business process to meet established customer requirements. Through discussion with the customer, the process owner determines that the current level of performance is no longer required. The requirement is decreased, and the process owner is able to reduce his need for supplies and material by \$3 million per year while still satisfying the revised requirement. Even though the way in which the process is performed has not changed, there is a \$3 million savings resulting from the change in requirements.
- Example 4: Throughout the Army, each of 20,000 employees devotes 10 hours per week to processing officer evaluation reports (OER). As a result of a business transformation initiative that provides improved software for the preparation of OERs, this time is reduced to six hours per week. The employees also perform other functions that require them to remain in the workforce, so there is no opportunity to reduce total manpower costs. In this case, there is a cost avoidance equal to the cost of four man-hours per week for each of the 20,000 employees (minus, of course, the cost of developing and deploying the improved software).
- Example 5: In example 4, a further assessment reveals that the reduction in processing time enables each organization to reduce the percentage of OERs that do not meet required submission dates, and that the software reduces the number of errors employees make when preparing OERs. Thus, in addition to the cost avoidance, there are two non-financial, quantifiable benefits: an increase in the percentage of OERs that are submitted on time and a reduction in the number of OERs that have to be reworked to correct errors.
- Example 6: An Army depot is responsible for overhauling helicopters. The overhaul process costs \$750K per aircraft, and the depot has funding of \$75M to meet an Army requirement to overhaul 100 helicopters. By redesigning the overhaul process, the depot is able to reduce the cost per aircraft to \$500K. This represents a cost reduction of \$25M, because it will cost that much less to meet the requirement of overhauling 100 helicopters. Because the Army could remove the \$25M from the depot with no adverse impact on the existing requirement (i.e., overhauling 100 helicopters), this cost reduction represents savings. If the Army decides to continue to fund the depot with \$75M and increase the workload to 150 helicopters, the \$25M delta would still represent savings. The key point is that the funds could be removed with no adverse impact on the existing requirement; whether they are actually reapplied to a different function or to doing more of the same function does not affect the determination that this is a savings. Said differently, the identification and reapplication of savings can be described as a two-step process. First, the Army decides to implement the new overhaul procedures and thereby reduces the cost of performing the existing mission (overhauling 100 aircraft). At this point a savings has been identified. Second, the

Army makes a conscious decision to apply the savings to doing more of the same work.

- Example 7: The Army decides that additional resources – i.e., more dollars than are currently programmed or budgeted – are needed in a given area. (This could be for any number of reasons, such as devoting in-house manpower to a newly assigned mission or tasking a contractor to upgrade the capability of an existing weapon system.) The responsible organization determines that additional funding of \$10M per year is needed, but the requirement remains unfunded. Before a funding decision is made, a business transformation initiative identifies a way to reduce the additional requirement to \$8M per year. The \$2M delta is a cost avoidance rather than a savings because it reduces a resource requirement but does not enable the Army to remove and to reapply programmed or budgeted resources.
- Example 8: An Army organization responsible for buying repair parts for combat vehicles is required by Army policy to maintain a 10-day supply of repair parts in its warehouses. The organization unilaterally decides to reduce its warehouse staff and, with the reduced staff, is able to maintain only an eight-day supply of parts. This change is not coordinated with Army policy-makers, who believe that this creates an unacceptable level of risk to mission accomplishment. There is no valid cost reduction in this case, because the organization is no longer able to meet the customer-established performance requirement. On the other hand, if the policy-makers had agreed that the stockage reduction was acceptable, then there would have been a savings equal to the cost of the staff reduction.
- Example 9: Ten Army civilians are engaged in performing a business process. The manager determines that the process could be performed more effectively with a mix of six civilians and four military personnel. This reduces the organization's OMA costs (the cost of four civilians), but increases costs in the centrally-managed MPA appropriation. As stated above, savings are defined from an Army-wide perspective. There would be a savings only if the four civilian positions that are eliminated cost more than the four military positions that are added.
- Example 10: An installation decides to be more aggressive in its pursuit of the sale and outlease program, and as a result is able to identify excess acreage that can be brought into the program. The initiative is projected to produce a revenue stream of \$3M per year. This is a financial benefit in the form of revenue generation.

4.2 Deployment Metrics

While Executive Leadership is accountable for leading, funding, and owning the LSS initiative, the Deployment Director is often the person who is responsible for making this happen. Part of this responsibility is in tracking the performance of the LSS initiative in his or her command. Table 1 provides a list of potential metrics and parameters for the Deployment Director to consider when establishing deployment metrics to track and summarize for his/her leadership.

Table 1 A list of potential LSS deployment metrics. Early in the deployment parameters such as number of people trained or the number of charters approved can be helpful for assaying the health of the initiative. Later on,

however, these metrics can incorrectly focus attention on the activities performed and away from results. For this reason, it is recommended that the Deployment Director plan on a transition to results-focused metrics such as financial benefit.

ID and Train Black Belts	
METRIC	FOCUS
Total # BB's in training	Activity
% BB being trained vs. plan	Activity
% BB's to total population	Activity
% BB's that are full-time	Activity
ID and Train Leadership personnel	
Total # Leadership personnel trained	Activity
% Leadership personnel trained	Activity
ID and Train Project Sponsors	
METRIC	FOCUS
Total # PS's trained	Activity
#PS's trained/BB Trained	Activity
% PS's trained/Total possible population of PS's	Activity
% PS's trained/Total Population	Activity
# PS's engaged in active projects / # PS's trained	
Select and Charter Projects	
METRIC	FOCUS
# approved charters/BB beginning training	Activity
# approved charters/BB identified	Activity
% BB's beginning training with approved charter	Activity
Project kill rate %	Activity
# project ideas/BB in training	Activity
Positive Financial Payback	
METRIC	FOCUS
\$ saved/\$ budgeted to be saved (in order to be accretive)	Results
\$ saved/project (average)	Results
average project cycle time completion	Results
% savings actually realized vs. projected in original charters	Results
% savings realized vs. realization schedule (realization schedule is put together before implementation)	Results
Involve All Subordinate Organizations	
METRIC	FOCUS
% of locations that have met some basic metrics (i.e. each location should have it's own target for the metrics described earlier, primarily around DM's, PS's, BB's, etc.)	Activity
% of locations participating at all	Activity
Generate LSS Awareness and Buy-In	
METRIC	FOCUS
% projects that have been completed on-time	Activity
% projects completing the Define Phase before second week of training begins (as evidenced by a gate review, additional metrics should be built around each successive phase completion, about one month/phase should be close)	Activity
Additional Results Focused Metrics	
METRIC	FOCUS
1 st pass defect rate %	Results
Organizational Process Efficiency % [OPE] (actual output / theoretical output)	Results

Note that most of the metrics provided in Table 1 describe activities and not outcomes. These measures can be especially useful early in the deployment before results start to be realized. In the end the focus must be on the results.

The Deployment Director should work closely with their Finance representative when establishing these controls and benefit calculations.

Figure 4 shows the top-level Army LSS Deployment Metrics.

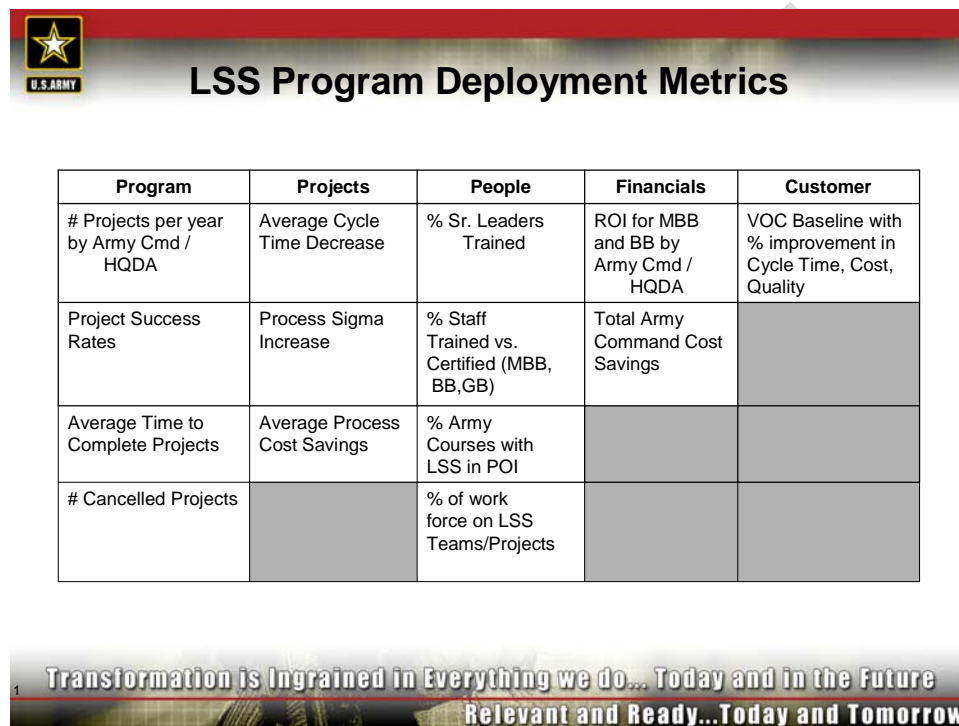


Figure 4 Army Lean Six Sigma Program Deployment Metrics

4.3 Tracking and Auditing

The Army is using PowerSteering Software to track all LSS project, schedules and benefits. Deployment Directors are responsible for keeping their command's projects up to date in PowerSteering. In developing individual project financial objectives, the Deployment Director must establish minimum anticipated returns for BB projects, GB projects, and rapid improvement events.

Below is a typical planning guideline for minimum target returns:

- Black Belt:
 - Each Black Belt completes (on average) 2-3 projects per year
 - Each Black Belt project should have an average savings of \$250k
- Green Belt:
 - Each Green Belt completes (on average) 2-4 projects per year
 - Each Green Belt project should have an average savings of \$50k

- These results are dependent upon:
 - Percent of time a Green Belt is dedicated to projects
 - Availability of mentorship from Black Belts / Master Black Belts
 - LSS maturity of organization (how well does management understand and embrace LSS)

One of the critical activities in an LSS financial control plan is periodic financial auditing of LSS projects. As stated in Section 9.5, HQDA will conduct selective audits or other reviews of the financial and operational data reported to HQDA. To supplement these audits and reviews, the Deployment Director should determine what specific auditing processes are appropriate for the command. One consideration is that the financial auditing process may evolve as the Army's LSS deployment matures.

The Deployment Director must ensure that the Black Belt, Project Sponsor and Finance representative form a partnership in monitoring and auditing project financial performance. Below is an example division of responsibilities among Black Belts, Project Sponsors and the financial representative:

Additional ROLES

Black Belt

- Define current operational process and establish baseline with metrics and data
- Determine project improvement relative to baseline and metrics
- Define logic for benefits
- Determine type of benefits
- Calculate financial benefit outlook
- Insure internal controls are improved or at least maintained
- Support validation of benefits during realization

Project Sponsor

- Participate and support as needed
- Sign-off at required tollgate reviews

Financial Representative

- See Section 9.2 for a discussion of the roles of the financial representative.

Section 5. Omitted

Section 6. Omitted

Section 7. Omitted

Section 8. Omitted

Section 9. Financial Management Guidance

9.1 Purpose

This section of the Guidebook provides guidance for financial management issues associated with transformation initiatives. This guidance applies to all business transformation efforts, whether conducted using Lean Six Sigma or some other technique.

9.2 Role of Financial Managers

The individual responsible for each transformation project must ensure that the project team has access to a financial manager at the installation or command level.¹ The financial manager's responsibilities include, but are not limited to, the following:

- In the initial phases of a business transformation project, determining the type of project (Savings, Cost Avoidance, or Revenue Generation), and the baseline data for the process under review.
- During the analysis and improvement phases of a project, assisting in determining the projected financial and non-financial metrics for the revised process. (See Section 4.1 for a discussion of financial and non-financial performance metrics.)
- Identifying the financial and non-financial data that will be used to measure financial benefits.
- Determining the approach that will be used to collect actual financial and non-financial data after the process improvement is implemented.
- Monitoring actual data to determine whether projected financial and non-financial levels are being achieved, and assisting in developing corrective actions as necessary.
- Ensuring that information which enables the tracking of financial benefits is reported to HQDA.
- When savings are generated, assisting in identifying other programs to which the savings can be applied.

9.3 Definitions for Financial Benefits

¹ In this document, "command" refers to the organizations that report directly to HQDA. This includes Army commands, Army service component commands, direct reporting units and field operating agencies.

The financial objectives of LSS are to generate savings, to generate cost avoidance, and to generate revenue. Definitions of these terms, along with examples to clarify the definitions, can be found in Section 4.1 of this Guidebook.

9.4 Retention of Savings

HQDA will not “harvest” savings that are generated via business transformation. Commands will be permitted to retain and to reapply these savings.

In the year of execution and the budget year, the reapplication of savings must comply with established reprogramming rules, such as the rules regarding transfers of funds from one appropriation to another.

For the program years, the normal PPBE process will occur. HQDA will not specifically target business transformation savings for harvesting. Commands will include their proposed reapplications of savings in their normal submissions of Schedule 8s to support development of the POM and BES. As always, HQDA will assess priorities and will allocate its limited funds to competing requirements to ensure that the Army makes the best possible use of constrained resources.

In most cases, the organization responsible for developing and implementing a transformation initiative will also be the organization that experiences the cost reductions. However, in some situations the responsible organization and benefiting organization will be different. For example, the DCS G-3/5/7 at HQDA is responsible for the mobilization process. If an initiative by G-3/5/7 to transform the process results in cost reductions, the reductions might occur to a limited extent at HQDA but will be felt to a greater extent in organizations such as FORSCOM, ARNG and OCAR. The retention of savings applies to benefiting organizations, i.e., the organizations whose funding is affected.

9.5 Computing Savings and Cost Avoidance

The following formulas prescribe how savings will be computed. To compute cost avoidance the same formulas are used, with “cost avoidance” replacing “savings” in each of the formulas.

Formulas

- Projected gross savings = baseline process cost minus projected process cost.
- Projected net savings = projected gross savings minus projected implementation cost.
- Actual gross savings = baseline process cost minus actual process cost.
- Actual net savings = actual gross savings minus actual implementation cost.

Identifying Implementation Costs

Implementation costs are the incremental cost of conducting the transformation project and the cost of implementing the new process.

Implementation costs include the following:

- Direct incremental or variable costs of implementing process improvements (e.g., additional contractor support).

- Any costs required to implement or to sustain the redesigned process (e.g., new technology, software licenses or training to familiarize workers with the redesigned process).

Implementation costs do not include sunk costs or the cost of establishing and maintaining the overall transformation effort. The following costs will not be included in project implementation costs:

- Program management costs (e.g., the cost of managing the LSS program at HQDA or command level).
- Costs of deployment teams.
- Labor costs of government personnel participating in the transformation initiative.
- Training in the LSS methodology.
- Project management software.

9.6 Measuring and Reporting Financial Benefits

Baseline for Measuring Benefits

Financial benefits must be measured from a documented baseline. Once a baseline is determined, it remains fixed until the transformation project is completed or canceled. The baseline for measuring financial benefits may include both financial data and non-financial data. The baseline is a snapshot that has a time dimension, meaning that the baseline is established at a point in time and reflects data for all years (year of execution, budget years, and program years) at that point in time.

If the financial benefit type is savings, the baseline for a given business process is a snapshot that reflects the data in the program and budget for the process when the transformation project begins.

If the financial benefit type is cost avoidance, the baseline is a snapshot that reflects either the data in the program and budget for the process when the transformation project begins (see Example 4 in Section 4.1), or the data associated with a validated but unfunded requirement when the transformation project begins (see Example 7 in Section 4.1).

If the financial benefit type is revenue generation, the baseline for a given process is a snapshot that reflects the projected revenue stream when the project begins.

Reporting Financial Benefits

Commands are responsible for reporting to HQDA baseline costs, projected costs, and actual costs for all projects that are expected to provide savings, cost avoidance, or revenue generation.

As discussed above, the financial manager supporting the transformation team is responsible for ensuring that accurate financial data are reported to HQDA. This accomplishes two objectives. First, it helps to ensure that financial data are developed and reviewed by an individual with resource management expertise. Second, by bringing in someone who is not part of the process owner's organization, it adds a degree of independence to the financial analysis.

There are three approaches that may be used to develop cost data. In order of preference, from most to least preferable, the approaches are: using financial accounting systems, using non-financial systems, and developing independent assessments. Additional guidance on these three approaches can be found in Appendix H. Regardless of the approach used, cost data must be able to withstand validation and auditing scrutiny. The financial manager supporting the project team is responsible for determining the approach to be used to collect Cost & Performance data and for assisting the project team in developing the back-up data to support ensuring that .

How to Report Financial Information

Commands will use the PowerSteering project management software to report baseline costs, projected costs, and actual costs for each transformation project to HQDA. Commands will also use PowerSteering to submit the baseline, projected, and actual data for i.e., non-financial performance metrics. PowerSteering must be used to report metrics for all projects, whether conducted using LSS or some other technique. Appendix I provides detailed instructions for using PowerSteering. Appendix I also provides instructions for using the Cost & Performance Portal, a tool that can be used to generate a wide range of financial reports from the data submitted via PowerSteering.

Reporting Timeline

Commands are responsible for ensuring that baseline and projected financial data are submitted as soon as the data are developed and a decision has been made to proceed with the transformation initiative.

For gated projects, commands will report actual cost data as each project or sub-project completes the control phase and semi-annually thereafter. For non-gated projects, commands will report actual cost data at the completion date and semi-annually thereafter. For both gated and non-gated projects, semi-annual reports will be submitted no later than 30 April for the preceding October-March and no later than 31 October for the preceding October-September. Reporting of actual data will continue through the program years or until HQDA advises that reporting is no longer required.

Audits of Financial and Non-Financial Data

The financial and non-financial data reported to HQDA are subject to audits or other reviews as determined by HQDA. savings applies to benefiting organizations, i.e., the organizations whose funding is affected.

9.7 Points of Contact

Questions concerning the guidance in this section should be referred to the following points of contact:

For technical questions about PowerSteering software, contact the Power Steering HelpDesk at https://businesssituationalawareness.army.mil/usarmycorp/help/help_login_with_admins.jsp?

For questions about the Cost & Performance Portal, contact the Cost & Performance HelpDesk:

By telephone: Commercial: 703-614-4405 DSN: 224-4405

By e-mail: cpp.help@hqda.army.mil

For questions about business transformation financial management policies and procedures not related to PowerSteering or the Cost & Performance Portal, contact the Business Transformation Financial HelpDesk via e-mail at BTFinancial@hqda.army.mil

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Appendix A. Omitted

Appendix B. Omitted

Appendix C. Omitted

Appendix D. Omitted

Appendix E. Omitted

Appendix F. Omitted

Appendix G. Approaches for Developing Cost Data

Section 9.3 identifies three approaches that may be used to develop cost data. This appendix expands on the discussion in Section 9.3

G.1 Using Financial Accounting Systems

The simplest way to identify savings is to compare baseline total cost with actual total cost for the redesigned process. To facilitate this approach, responsible organizations may use existing account code structures to record actual cost data. These include management decision packages (MDEP), Army management structure codes (AMSCO), program elements (PE), functional cost accounts (FCA), elements of resource (EOR) or accounting processing codes (APC) as appropriate. For example, organizations using STANFINS could establish APCs, organizations using CEFMS could establish unique work items and/or fund accounts, and organizations using SOMARDS could establish job orders. The table in Section H.4 identifies data elements that could be used to track savings when using official accounting systems.

G.2 Using Non-Financial Systems

If total cost is difficult to define but baseline and actual output levels and unit costs for the redesigned process can be identified, those data elements can be used to determine cost reductions. For example, use payroll or manpower systems to determine changes in employment levels, and use supply systems to determine changes in materials or supplies used for specific programs.

G.3 Developing an Independent Assessment

Cost data may be developed by means of an independent assessment. In this context, “independent” means that the assessment must be developed by someone who is not part of the organization responsible for the process being transformed. For example, if a process performed by the Director of Public Works (DPW) at an installation is being transformed, an individual not assigned to DPW, such as the installation comptroller or resource manager, must develop the cost assessment.

G.4 Data Elements to Support the Use of Financial Accounting Systems

Commands may use the data elements identified in the table below to facilitate the collection of actual cost data for redesigned business processes.

Data Element	Description/Explanation
Initiative title	Short phrase to describe the initiative. E.g., "OER streamlining," or "Improve the supply accommodation rate."
Army process owner	The number of the operating agency (OA) responsible for leading the initiative.
Type of Financial Benefit	Savings, Cost Avoidance, Revenue Generation
Allotment serial number Accounting system Accounting code	Used together, these data elements will enable actual costs to be pulled from official accounting systems. The possible entries for accounting system are: STANFINS, CEFMS, and SOMARDS. (GFEBS will be added in the future.) The accounting code will vary based on the accounting system. For STANFINS it will be Account Processing Code; for CEFMS it will be Work Item and/or Fund Account; for SOMARDS it will be Job Order. Transactions entered in the accounting systems will use these three data elements to record the actual cost of performing the revised process and the one-time costs associated with implementing the revised process.
MDEP	The MDEP that contains the funding for the process.
Army program element	The APE that contains the funding for the process.
Baseline cost by fiscal year	The dollars programmed or budgeted for the process, by fiscal year. The baseline is determined during the analysis phase. See Section 4.1 for a guidance on determining the baseline.
Projected cost by fiscal year	The projected cost of performing the process, by fiscal year.
Projected implementation cost by fiscal year	The projected one-time costs required to conduct the BT project and to put the revised process in place.
Actual cost by fiscal year	The actual cost of performing the process.

Appendix H. Using Web-Based Tools to Report Financial Data

H.1 PowerSteering

As stated in Section 9.6, the PowerSteering project management tool must be used to report metrics for all projects, whether conducted using LSS or some other technique. To submit data via PowerSteering, go to <https://businesssituationalawareness.army.mil> and follow procedures for creating a LSS project.

The financial data will be entered using an input form in the “Project Financial Benefits” section. In addition to submitting the data required by PowerSteering, deployment directors will ensure that a file is attached to PowerSteering that provides back-up information to show how the financial data were developed. The template at the end of this appendix may be used for this purpose. An Excel version of this template is available at two websites:

- At the PowerSteering website (<https://businesssituationalawareness.army.mil>). Click on “Important Links”).
- At the Cost & Performance Portal website (<https://cpp.army.mil>). Click on “BT Metrics Quick Links.”

Process owners who have initiatives that do not lend themselves to reporting via PowerSteering should contact the Cost & Performance Portal HelpDesk at cpp.help@hqda.army.mil.

H.2 Cost & Performance Portal

PowerSteering is designed for business transformation project management; the Cost & Performance Portal is designed to provide reporting of financial benefits Army-wide. The Cost & Performance Portal also has the capability to compare financial benefits across the Army by command, major subordinate command, Army-wide process, and project. Project status reports are also available in the Cost & Performance Portal. PowerSteering and the Cost & Performance Portal tools have been developed in partnership so that financial benefit data entered in PowerSteering are viewed in the Cost & Performance Portal. In all cases, the procedures require only single system data entry.

To use the Cost & Performance Portal, go to <https://cpp.army.mil>. Click on the “request access” tab and follow instructions to register for a Cost & Performance Portal account, which will provide access to the tool to view business transformation metrics.

Once an account is created, go to <https://cpp.army.mil> and log in. You may view financial benefits at the command level or at the operating agency (OA) level, and drill down to the project level.

H.3 Sample Template

Commands will use a template similar to the sample below to report baseline, projected and actual financial and non-financial data to HQDA. Data will be reported for all years through the end of the current POM. An Excel version of this template is available at two websites:

- At the PowerSteering website (<https://businesssituationalawareness.army.mil>). Click on “Important Links”).
- At the Cost & Performance Portal website (<https://cpp.army.mil>). Click on “BT Metrics Quick Links.”

Financial Benefits Summary for <Initiative Title>
 Responsible Command _____
 Accounting System <STANFINS, CEFMS, or SOMARDS>
 MDEP _____
 Army Program Element _____
 Accounting Code <APC, work item and/or fund account, or job order>
 Location Identifier <ASN>
 Type of Financial Benefit (see Section 4.1) <Savings, cost avoidance, revenue generation, or none>
 Type of Non-Financial Benefit (see Section 4.1) _____
 Proposed Application of Savings <Proposed function or process. If savings are not projected, leave blank>

If financial accounting systems are to be used to collect cost information, a unique combination of accounting code and location identifier will be required for each installation at which the business transformation project is being implemented.

			FY07	FY07	FY08	FY09	FY10	FY11	FY12	FY14
Baseline Cost and Non-Financial Data	Inputs	Labor	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Civ	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Mil	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Contractor	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Matl & Supp	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Equipment	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Overhead	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Other	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Total	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
	Outputs / Efficiency	Number of Products	#	#	#	#	#	#	#	#
		Cost per Unit	\$	\$	\$	\$	\$	\$	\$	\$
		Cycle Time	#	#	#	#	#	#	#	#
		Rework	%	%	%	%	%	%	%	%

			FY07	FY07	FY08	FY09	FY10	FY11	FY12	FY14
	Outcomes	Product / Service Quality Improved Performance Customer Satisfaction Number of Complaints Number of Customers Other	varies varies varies # # varies	varies varies varies # # varies	varies varies varies # # varies	varies varies varies # # varies	varies varies varies # # varies	varies varies varies # # varies	varies varies varies # # varies	varies varies varies # # varies
Projected Cost and Non-Financial Data	Inputs	Labor	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Civ	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Mil	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Contractor	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Matl & Supp	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Equipment	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Overhead	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Other	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Total	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
	Outputs / Efficiency	Number of Products	#	#	#	#	#	#	#	#
		Cost per Unit	\$	\$	\$	\$	\$	\$	\$	\$
		Cycle Time	#	#	#	#	#	#	#	#
		Rework	%	%	%	%	%	%	%	%
	Outcomes	Product / Service Quality	varies	varies	varies	varies	varies	varies	varies	varies
		Improved Performance	varies	varies	varies	varies	varies	varies	varies	varies
		Customer Satisfaction	varies	varies	varies	varies	varies	varies	varies	varies
		Number of Complaints	#	#	#	#	#	#	#	#
		Number of Customers	#	#	#	#	#	#	#	#
		Other	varies	varies	varies	varies	varies	varies	varies	varies
Projected Implementation Cost		Labor	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Matl & Supp	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Equipment	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Overhead	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Other	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Total	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
Actual Cost and Non-Financial Data	Inputs	Labor	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Civ	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Mil	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Contractor	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Matl & Supp	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Equipment	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Overhead	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Other	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
		Total	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$	\$\$
	Outputs / Efficiency	Number of Products	#	#	#	#	#	#	#	#
		Cost per Unit	\$	\$	\$	\$	\$	\$	\$	\$
		Cycle Time	#	#	#	#	#	#	#	#
		Rework	%	%	%	%	%	%	%	%

[illegible]